



General Assembly

February Session, 2014

Raised Bill No. 5289

LCO No. 1106



Referred to Committee on TRANSPORTATION

Introduced by:
(TRA)

AN ACT ESTABLISHING THE CONNECTICUT PORT AUTHORITY.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective July 1, 2016*) (a) There is hereby
2 established and created a body politic and corporate, constituting a
3 public instrumentality and political subdivision of the state of
4 Connecticut established and created for the performance of an
5 essential public and governmental function, to be known as the
6 Connecticut Port Authority. The authority shall not be construed to be
7 a department, institution or agency of the state.

8 (b) The powers of the authority shall be vested in and exercised by a
9 board of directors, which shall consist of seven voting members,
10 appointed by the Governor with the advice and consent of both houses
11 of the General Assembly. The Governor shall appoint the initial
12 members to the board as follows: (1) Three members for two years; and
13 (2) four members for four years. Thereafter, the Governor shall appoint
14 members of the board to succeed such appointees whose terms expire
15 and each member so appointed shall hold office for a period of four
16 years from July first in the year of his or her appointment. The

17 Commissioner of Energy and Environmental Protection, the
18 Commissioner of Transportation and the Commissioner of Economic
19 and Community Development shall each serve as nonvoting, ex-officio
20 members of the board. Appointed directors shall have business and
21 management experience and shall include individuals who have
22 experience and expertise in one or more of the following areas: (A)
23 International trade, (B) marine transportation, (C) finance, or (D)
24 economic development.

25 (c) Appointed directors may not designate a representative to
26 perform in their absence their respective duties under this section. Any
27 appointed director who fails to attend three consecutive meetings of
28 the board or who fails to attend fifty per cent of all meetings of the
29 board held during any calendar year shall be deemed to have resigned
30 from the board. Any vacancy occurring other than by expiration of
31 term shall be filled in the same manner as the original appointment for
32 the balance of the unexpired term.

33 (d) The board of directors of the authority shall appoint an executive
34 director who shall not be a member of the board and who shall serve at
35 the pleasure of the board and receive such compensation as shall be
36 fixed by the board. The executive director shall have extensive
37 experience in the development and management of multi-use port
38 operations. The executive director shall be the chief administrative
39 officer of the authority and shall direct and supervise administrative
40 affairs and technical activities in accordance with the directives of the
41 board. The executive director shall approve all accounts for salaries,
42 allowable expenses of the authority or of any employee or consultant
43 thereof, and expenses incidental to the operation of the authority. The
44 executive director shall perform such other duties as may be directed
45 by the board in carrying out the purposes of sections 1 to 4, inclusive,
46 of this act. The executive director shall be exempt from the classified
47 service. The executive director shall attend all meetings of the board,
48 keep a record of the proceedings of the authority and shall maintain
49 and be custodian of all books, documents and papers filed with the

50 authority and of the minute book or journal of the authority and of its
51 official seal. The executive director may cause copies to be made of all
52 minutes and other records and documents of the authority and may
53 give certificates under the official seal of the authority to the effect that
54 such copies are true copies, and all persons dealing with the authority
55 may rely upon such certificates.

56 (e) Each director shall be entitled to reimbursement for such
57 director's actual and necessary expenses incurred during the
58 performance of such director's official duties.

59 (f) Directors may engage in private employment, or in a profession
60 or business, subject to any applicable laws, rules and regulations of the
61 state or federal government regarding official ethics or conflict of
62 interest.

63 (g) Four directors of the authority shall constitute a quorum for the
64 transaction of any business or the exercise of any power of the
65 authority. For the transaction of any business or the exercise of any
66 power of the authority, and, except as otherwise provided in this
67 section, the authority may act by a majority of the directors present at
68 any meeting at which a quorum is in attendance.

69 (h) The board may delegate to four or more directors such board
70 powers and duties as it may deem necessary and proper in conformity
71 with the provisions of this section and its bylaws.

72 (i) The appointing authority for any director may remove such
73 director for inefficiency, neglect of duty or misconduct in office after
74 giving the director a copy of the charges against the director and an
75 opportunity to be heard, in person or by counsel, in the director's
76 defense, upon not less than ten days' notice. If any director shall be so
77 removed, the appointing authority for such director shall file in the
78 office of the Secretary of the State a complete statement of charges
79 made against such director and the appointing authority's findings on
80 such statement of charges, together with a complete record of the

81 proceedings.

82 (j) The authority shall continue as long as it has bonds or other
83 obligations outstanding and until its existence is terminated by law.
84 Upon the termination of the existence of the authority, all its rights and
85 properties shall pass to and be vested in the state of Connecticut.

86 (k) Notwithstanding any provision of the general statutes, it shall
87 not constitute a conflict of interest for a trustee, director, partner or
88 officer of any person, firm or corporation, or any individual having a
89 financial interest in a person, firm or corporation, to serve as a director
90 of the authority, provided such trustee, director, partner, officer or
91 individual shall abstain from deliberation, action or vote by the
92 authority in specific respect to such person, firm or corporation.

93 (l) The Governor shall appoint the chairperson of the board, who
94 shall serve for a term of four years. The board shall elect from its
95 members a vice-chairperson and such other officers as it deems
96 necessary. Vacancies among any officers shall be filled within thirty
97 days following the occurrence of such vacancy in the same manner as
98 the original selection. Said board shall establish bylaws to govern its
99 procedures and shall appoint such committees and advisory boards as
100 may be convenient or necessary in the transaction of its business.

101 (m) The initial members of the board may begin service
102 immediately upon appointment, but shall not serve past the sixth
103 Wednesday of the next regular session of the General Assembly unless
104 qualified in the manner provided in section 4-7 of the general statutes.
105 Thereafter, all appointments shall be made with the advice and
106 consent of both houses of the General Assembly, in the manner
107 provided in section 4-19 of the general statutes.

108 Sec. 2. (*Effective July 1, 2016*) (a) The Connecticut Port Authority shall
109 have the duty, power and authority generally to coordinate port
110 development, with a focus on private and public investments, pursue
111 federal and state funds for dredging and other infrastructure

112 improvements to increase cargo movement through Connecticut ports,
113 market the advantages of such ports to the domestic and international
114 shipping industry, coordinate the planning and funding of capital
115 projects promoting the development of such ports and develop
116 strategic entrepreneurial initiatives that may be available to the state,
117 and specifically to:

118 (1) Develop an organizational and management structure that will
119 best accomplish the goals of the authority concerning Connecticut
120 ports;

121 (2) Create a code of conduct for the board of directors of the
122 authority consistent with part I of chapter 10 of the general statutes;

123 (3) On or before December fifteenth each year, report, in accordance
124 with the provisions of section 11-4a of the general statutes, to the
125 Governor and the joint standing committees of the General Assembly
126 having cognizance of matters relating to transportation, commerce and
127 the environment, summarizing the authority's activities, disclosing
128 operating and financial statements and recommending legislation to
129 promote the authority's purposes;

130 (4) Adopt rules for the conduct of its business which shall not be
131 considered regulations, as defined in subdivision (13) of section 4-166
132 of the general statutes;

133 (5) Receive and accept aid or contributions from any source of
134 money, property, labor or other things of value, to be held, used and
135 applied to carry out the purposes of sections 1 to 4, inclusive, of this
136 act, subject to such conditions upon which such grants and
137 contributions may be made, including, but not limited to, gifts or
138 grants from any department, agency or instrumentality of the United
139 States or this state for any purpose consistent with sections 1 to 4,
140 inclusive, of this act;

141 (6) Enter into agreements with any department, agency, office or

142 instrumentality of the United States or this state, including the office of
143 the State Treasurer, to carry out the purposes of sections 1 to 4,
144 inclusive, of this act;

145 (7) The extent permitted under sections 1 to 4, inclusive, of this act,
146 borrow money or secure credit on a temporary, short-term, interim or
147 long-term basis;

148 (8) Issue bonds, bond anticipation notes and other obligations of the
149 authority to the extent permitted under sections 1 to 4, inclusive, of
150 this act, to fund and refund the same and provide for the rights of the
151 holders thereof, and to secure the same by pledge of revenues, notes
152 and mortgages of others;

153 (9) Acquire, lease, hold and dispose of real and personal property,
154 including, but not limited to, any state pier real property under its
155 control, for its corporate purposes. Notwithstanding this subdivision,
156 the authority shall not convey fee simple ownership in any land under
157 its jurisdiction and control without the approval of the Properties
158 Review Board and the Attorney General;

159 (10) Employ such assistants, agents and other employees, including
160 a marketing manager with experience (A) in port market development
161 and promotion, and (B) working with vessel operators, railroads, the
162 shipping industry and the trucking industry, and to engage
163 consultants and such other independent professionals as may be
164 necessary or desirable to carry out its purposes in accordance with
165 sections 1 to 4, inclusive, of this act and, except for such employees
166 who are covered by collective bargaining agreements, to fix their
167 compensation, and to provide technical assistance as provided in
168 sections 1 to 4, inclusive, of this act;

169 (11) To maintain an office at such place or places as it may
170 designate;

171 (12) To sue and be sued in its own name, and plead and be

172 impleaded;

173 (13) To mortgage any property of the authority for the benefit of the
174 holders of obligations issued by the authority;

175 (14) Make and enter into all contracts and agreements necessary or
176 incidental to the performance of its duties and the execution of its
177 powers under sections 1 to 4, inclusive, of this act, including, but not
178 limited to, the granting of leasehold interests, concession, access and
179 development rights and privileges, supplier, vendor, contractor and
180 consultant contracts; and

181 (15) Do all acts and things necessary or convenient to carry out the
182 purposes of sections 1 to 4, inclusive, of this act and chapter 242 of the
183 general statutes and the powers expressly granted by sections 1 to 4,
184 inclusive, of this act.

185 (b) To serve its purpose, the authority may:

186 (1) Have perpetual succession as a body politic and corporate and to
187 adopt bylaws for the regulation of its affairs and the conduct of its
188 business;

189 (2) Adopt an official seal and alter the same at pleasure;

190 (3) (A) Employ such assistants, agents and other employees as may
191 be necessary or desirable; (B) establish all necessary or appropriate
192 personnel practices and policies; and (C) engage consultants, attorneys
193 and appraisers as may be necessary or desirable to carry out its
194 purposes in accordance with this section;

195 (4) Invest in, acquire, lease, purchase, own, manage, hold and
196 dispose of real property, including, but not limited to, any state pier
197 real property under its control, and lease, convey or deal in or enter
198 into agreements with respect to such property on any terms necessary
199 or incidental to carrying out the purposes of sections 1 to 4, inclusive,
200 of this act, provided such transactions shall not be subject to approval,

201 review or regulation by any state agency pursuant to title 4b of the
202 general statutes or any other provision of the general statutes.
203 Notwithstanding this subdivision, the authority shall not convey fee
204 simple ownership in any land under its jurisdiction and control
205 without the approval of the Properties Review Board and the Attorney
206 General;

207 (5) Procure insurance against any liability or loss in connection with
208 its property and other assets, in such amounts and from such insurers
209 as it deems desirable and to procure insurance for employees; and

210 (6) Account for and audit funds of the authority and funds of any
211 recipients of funds from the authority.

212 Sec. 3. (NEW) (*Effective July 1, 2016*) The board of directors of the
213 Connecticut Port Authority shall adopt written procedures, in
214 accordance with the provisions of section 1-121 of the general statutes,
215 for: (1) Adopting an annual budget and plan of operations, including a
216 requirement of board approval before the budget or plan may take
217 effect; (2) hiring, dismissing, promoting and compensating employees
218 of the authority, including an affirmative action policy and a
219 requirement of board approval before a position may be created or a
220 vacancy filled; (3) acquiring real and personal property and personal
221 services, including a requirement of board approval for any
222 nonbudgeted expenditure in excess of five thousand dollars; (4)
223 contracting for financial, legal and other professional services,
224 including a requirement that the authority solicit proposals at least
225 once every three years for each such service which it uses; (5)
226 awarding loans, grants and other financial assistance, including
227 eligibility criteria, the application process and the role played by the
228 authority's staff and board of directors; and (6) the use of surplus
229 funds to the extent authorized under sections 1 to 4, inclusive, of this
230 act or other provision of the general statutes.

231 Sec. 4. (NEW) (*Effective July 1, 2016*) The board of directors of the

232 Connecticut Port Authority shall submit to the joint standing
233 committees of the General Assembly having cognizance of matters
234 relating to appropriations, commerce, the environment and
235 transportation a copy of each audit of the authority conducted by an
236 independent auditing firm, not later than seven days after the audit is
237 received by said board of directors.

238 Sec. 5. Subdivision (12) of section 1-79 of the 2014 supplement to the
239 general statutes is repealed and the following is substituted in lieu
240 thereof (*Effective July 1, 2016*):

241 (12) "Quasi-public agency" means Connecticut Innovations,
242 Incorporated, and the Connecticut Health and Education Facilities
243 Authority, Connecticut Higher Education Supplemental Loan
244 Authority, Connecticut Housing Finance Authority, State Housing
245 Authority, Connecticut Resources Recovery Authority, Capital Region
246 Development Authority, Connecticut Lottery Corporation, Connecticut
247 Airport Authority, Health Information Technology Exchange of
248 Connecticut, Connecticut Health Insurance Exchange [and] Clean
249 Energy Finance and Investment Authority and Connecticut Port
250 Authority.

251 Sec. 6. Subdivision (1) of section 1-120 of the general statutes is
252 repealed and the following is substituted in lieu thereof (*Effective July*
253 *1, 2016*):

254 (1) "Quasi-public agency" means Connecticut Innovations,
255 Incorporated, and the Connecticut Health and Educational Facilities
256 Authority, Connecticut Higher Education Supplemental Loan
257 Authority, Connecticut Housing Finance Authority, Connecticut
258 Housing Authority, Connecticut Resources Recovery Authority,
259 Capital Region Development Authority, Connecticut Lottery
260 Corporation, Connecticut Airport Authority, Health Information
261 Technology Exchange of Connecticut, Connecticut Health Insurance
262 Exchange, [and] Clean Energy Finance and Investment Authority and

263 Connecticut Port Authority.

264 Sec. 7. Section 1-124 of the general statutes is repealed and the
265 following is substituted in lieu thereof (*Effective July 1, 2016*):

266 (a) Connecticut Innovations, Incorporated, the Connecticut Health
267 and Educational Facilities Authority, the Connecticut Higher
268 Education Supplemental Loan Authority, the Connecticut Housing
269 Finance Authority, the Connecticut Housing Authority, the
270 Connecticut Resources Recovery Authority, the Health Information
271 Technology Exchange of Connecticut, the Connecticut Airport
272 Authority, the Capital Region Development Authority, the
273 Connecticut Health Insurance Exchange, [and] the Clean Energy
274 Finance and Investment Authority and the Connecticut Port Authority
275 shall not borrow any money or issue any bonds or notes which are
276 guaranteed by the state of Connecticut or for which there is a capital
277 reserve fund of any kind which is in any way contributed to or
278 guaranteed by the state of Connecticut until and unless such
279 borrowing or issuance is approved by the State Treasurer or the
280 Deputy State Treasurer appointed pursuant to section 3-12. The
281 approval of the State Treasurer or said deputy shall be based on
282 documentation provided by the authority that it has sufficient
283 revenues to (1) pay the principal of and interest on the bonds and notes
284 issued, (2) establish, increase and maintain any reserves deemed by the
285 authority to be advisable to secure the payment of the principal of and
286 interest on such bonds and notes, (3) pay the cost of maintaining,
287 servicing and properly insuring the purpose for which the proceeds of
288 the bonds and notes have been issued, if applicable, and (4) pay such
289 other costs as may be required.

290 (b) To the extent Connecticut Innovations, Incorporated, and the
291 Connecticut Higher Education Supplemental Loan Authority,
292 Connecticut Housing Finance Authority, Connecticut Housing
293 Authority, Connecticut Resources Recovery Authority, Connecticut
294 Health and Educational Facilities Authority, the Health Information

295 Technology Exchange of Connecticut, the Connecticut Airport
296 Authority, the Capital Region Development Authority, the
297 Connecticut Health Insurance Exchange, [or] the Clean Energy Finance
298 and Investment Authority or Connecticut Port Authority is permitted
299 by statute and determines to exercise any power to moderate interest
300 rate fluctuations or enter into any investment or program of
301 investment or contract respecting interest rates, currency, cash flow or
302 other similar agreement, including, but not limited to, interest rate or
303 currency swap agreements, the effect of which is to subject a capital
304 reserve fund which is in any way contributed to or guaranteed by the
305 state of Connecticut, to potential liability, such determination shall not
306 be effective until and unless the State Treasurer or his or her deputy
307 appointed pursuant to section 3-12 has approved such agreement or
308 agreements. The approval of the State Treasurer or his or her deputy
309 shall be based on documentation provided by the authority that it has
310 sufficient revenues to meet the financial obligations associated with the
311 agreement or agreements.

312 Sec. 8. Section 1-125 of the general statutes is repealed and the
313 following is substituted in lieu thereof (*Effective July 1, 2016*):

314 The directors, officers and employees of Connecticut Innovations,
315 Incorporated, and the Connecticut Higher Education Supplemental
316 Loan Authority, Connecticut Housing Finance Authority, Connecticut
317 Housing Authority, Connecticut Resources Recovery Authority,
318 including ad hoc members of the Connecticut Resources Recovery
319 Authority, Connecticut Health and Educational Facilities Authority,
320 Capital Region Development Authority, the Health Information
321 Technology Exchange of Connecticut, Connecticut Airport Authority,
322 Connecticut Lottery Corporation, Connecticut Health Insurance
323 Exchange, [and] the Clean Energy Finance and Investment Authority
324 and Connecticut Port Authority and any person executing the bonds or
325 notes of the agency shall not be liable personally on such bonds or
326 notes or be subject to any personal liability or accountability by reason
327 of the issuance thereof, nor shall any director or employee of the

328 agency, including ad hoc members of the Connecticut Resources
329 Recovery Authority, be personally liable for damage or injury, not
330 wanton, reckless, wilful or malicious, caused in the performance of his
331 or her duties and within the scope of his or her employment or
332 appointment as such director, officer or employee, including ad hoc
333 members of the Connecticut Resources Recovery Authority. The
334 agency shall protect, save harmless and indemnify its directors,
335 officers or employees, including ad hoc members of the Connecticut
336 Resources Recovery Authority, from financial loss and expense,
337 including legal fees and costs, if any, arising out of any claim, demand,
338 suit or judgment by reason of alleged negligence or alleged
339 deprivation of any person's civil rights or any other act or omission
340 resulting in damage or injury, if the director, officer or employee,
341 including ad hoc members of the Connecticut Resources Recovery
342 Authority, is found to have been acting in the discharge of his or her
343 duties or within the scope of his or her employment and such act or
344 omission is found not to have been wanton, reckless, wilful or
345 malicious.

346 Sec. 9. Section 13b-51b of the general statutes is repealed and the
347 following is substituted in lieu thereof (*Effective July 1, 2016*):

348 There shall be, within the Department of Transportation, a State
349 Maritime Office which shall: (1) Be responsible for maritime
350 operations, including the State Pier in New London, the Connecticut
351 River ferries and such other operational responsibilities as shall be
352 assigned to it; (2) serve as the Governor's principal maritime policy
353 advisor; (3) serve as the liaison between the state and federal, local and
354 private entities involved in maritime policy activities; (4) coordinate
355 the state's maritime policy activities; (5) encourage year-round use of
356 water-related industries; (6) work with the Department of Economic
357 and Community Development and other state, local and private
358 entities to maximize the economic potential of Connecticut's ports and
359 other maritime resources; (7) conduct necessary research and planning
360 activities; (8) assess potential state investments in ports and other

361 maritime facilities; [(9) provide staff support to the Connecticut
362 Maritime Commission, created in section 13b-51a; (10)] (9) provide
363 staff support to the Connecticut Pilot Commission created by section
364 15-13c; and [(11)] (10) undertake such other responsibilities as may be
365 assigned to it by the commissioner or the Governor.

366 Sec. 10. Section 13b-55a of the general statutes is repealed and the
367 following is substituted in lieu thereof (*Effective July 1, 2016*):

368 (a) In addition to municipal requests for a grant-in-aid pursuant to
369 section 13b-57, harbor improvement projects may be initiated by the
370 Commissioner of Transportation on behalf of the state or for the state
371 on behalf of the federal government. Recommendations on the
372 prioritization or inclusion of projects shall be submitted to the
373 commissioner by the Connecticut [Maritime Commission] Port
374 Authority. The department shall contract for the provision of goods
375 and services to harbors and waterways for such improvements, and
376 shall provide the funding required under such contracts, except that
377 the commissioner may enter into agreements with other state agencies
378 or municipalities for such agencies or municipalities to provide the
379 funding for any of such contracts. The department shall administer all
380 contracts entered into under this section.

381 (b) All contracts are subject to final negotiation of the scope and
382 budget for a given project. Contracting periods may vary depending
383 on each project. Payments shall be made on a reimbursement basis for
384 deliverables completed no later than the dates of service of an executed
385 contract. Appropriate back-up information shall be included with each
386 payment request indicating that services have been rendered. The
387 department may elect to provide part or all of the funds necessary as
388 an upfront payment, provided funds are held in a separate, noninterest
389 bearing account and are expended not later than sixty days after such
390 funds are provided.

391 (c) Harbor improvement projects include the preparation of plans,

392 studies and construction for the alteration and improvement of various
393 state, municipal and other properties in or adjacent to the waters of the
394 state, for the purpose of improving the economy and infrastructure of
395 the state.

396 Sec. 11. Subdivision (2) of subsection (b) of section 12-587 of the 2014
397 supplement to the general statutes is repealed and the following is
398 substituted in lieu thereof (*Effective from passage*):

399 (2) Gross earnings derived from the first sale of the following
400 petroleum products within this state shall be exempt from tax: (A) Any
401 petroleum products sold for exportation from this state for sale or use
402 outside this state; (B) the product designated by the American Society
403 for Testing and Materials as "Specification for Heating Oil D396-69",
404 commonly known as number 2 heating oil, to be used exclusively for
405 heating purposes or to be used in a commercial fishing vessel, which
406 vessel qualifies for an exemption pursuant to section 12-412; (C)
407 kerosene, commonly known as number 1 oil, to be used exclusively for
408 heating purposes, provided delivery is of both number 1 and number 2
409 oil, and via a truck with a metered delivery ticket to a residential
410 dwelling or to a centrally metered system serving a group of
411 residential dwellings; (D) the product identified as propane gas, to be
412 used exclusively for heating purposes; (E) bunker fuel oil, intermediate
413 fuel, marine diesel oil and marine gas oil to be used in any vessel (i)
414 having a displacement exceeding four thousand dead weight tons, or
415 (ii) primarily engaged in interstate commerce; (F) for any first sale
416 occurring prior to July 1, 2008, propane gas to be used as a fuel for a
417 motor vehicle; (G) for any first sale occurring on or after July 1, 2002,
418 grade number 6 fuel oil, as defined in regulations adopted pursuant to
419 section 16a-22c, to be used exclusively by a company which, in
420 accordance with census data contained in the Standard Industrial
421 Classification Manual, United States Office of Management and
422 Budget, 1987 edition, is included in code classifications 2000 to 3999,
423 inclusive, or in Sector 31, 32 or 33 in the North American Industrial
424 Classification System United States Manual, United States Office of

425 Management and Budget, 1997 edition; (H) for any first sale occurring
 426 on or after July 1, 2002, number 2 heating oil to be used exclusively in a
 427 vessel primarily engaged in interstate commerce, which vessel
 428 qualifies for an exemption under section 12-412; (I) for any first sale
 429 occurring on or after July 1, 2000, paraffin or microcrystalline waxes;
 430 (J) for any first sale occurring prior to July 1, 2008, petroleum products
 431 to be used as a fuel for a fuel cell, as defined in subdivision (113) of
 432 section 12-412; (K) a commercial heating oil blend containing not less
 433 than ten per cent of alternative fuels derived from agricultural
 434 produce, food waste, waste vegetable oil or municipal solid waste,
 435 including, but not limited to, biodiesel or low sulfur dyed diesel fuel;
 436 (L) for any first sale occurring on or after July 1, 2007, diesel fuel other
 437 than diesel fuel to be used in an electric generating facility to generate
 438 electricity; (M) for any first sale occurring on or after July 1, 2013,
 439 cosmetic grade mineral oil; or (N) propane gas to be used as a fuel for a
 440 school bus.

441 Sec. 12. Subdivision (3) of subsection (a) of section 12-458 of the
 442 general statutes is repealed and the following is substituted in lieu
 443 thereof (*Effective from passage*):

444 (3) Said tax shall not be payable on such fuel as may have been (A)
 445 sold to the United States, (B) sold to a municipality of this state, (i) for
 446 use by any contractor performing a service for such municipality in
 447 accordance with a contract, provided such fuel is used by such
 448 contractor exclusively for the purposes of and in accordance with such
 449 contract, or (ii) for use exclusively in a school bus, as defined in section
 450 14-275, (C) sold to a municipality of this state, a transit district of this
 451 state, or this state, at other than a retail outlet, for governmental
 452 purposes and for use in vehicles owned and operated, or leased and
 453 operated by such municipality, such transit district or this state, (D)
 454 sold to a person licensed as a distributor in this state under section 12-
 455 456, (E) transferred from storage within this state to some point
 456 without this state, (F) sold to the holder of a permit issued under
 457 section 12-458a for sale or use without this state, (G) sold to the holder

458 of a permit issued under subdivision (63) of section 12-412, provided
459 (i) such fuel is not used in motor vehicles registered or required to be
460 registered to operate upon the public highways of this state, unless
461 such fuel is used in motor vehicles registered exclusively for farming
462 purposes, (ii) such fuel is not delivered, upon such sale, to a tank in
463 which such person keeps fuel for personal and farm use, and (iii) a
464 statement, prescribed as to form by the Commissioner of Revenue
465 Services and bearing notice to the effect that false statements made
466 under this section are punishable, that such fuel is used exclusively for
467 farming purposes, is submitted by such person to the distributor, (H)
468 sold exclusively to furnish power for an industrial plant in the actual
469 fabrication of finished products to be sold, or for the fishing industry,
470 (I) sold exclusively for heating purposes, (J) sold exclusively to furnish
471 gas, water, steam or electricity, if delivered to consumers through
472 mains, lines or pipes, (K) sold to the owner or operator of an aircraft, as
473 defined in section 15-34, exclusively for aviation purposes, provided (i)
474 for purposes of this subdivision, "aviation purposes" means for the
475 purpose of powering an aircraft or an aircraft engine, (ii) such fuel is
476 delivered, upon such sale, to a tank in which fuel is kept exclusively
477 for aviation purposes, and (iii) a statement, prescribed as to form by
478 the Commissioner of Revenue Services and bearing notice to the effect
479 that false statements made under this section are punishable, that such
480 fuel is used exclusively for aviation purposes, is submitted by such
481 person to the distributor, (L) sold to a dealer who is licensed under
482 section 12-462 and whose place of business is located upon an
483 established airport within this state, [or] (M) diesel fuel sold
484 exclusively for use in portable power system generators that are larger
485 than one hundred fifty kilowatts, or (N) sold for use in any vessel (i)
486 having a displacement exceeding four thousand dead weight tons, or
487 (ii) primarily engaged in interstate commerce.

488 Sec. 13. (NEW) (*Effective July 1, 2014*) (a) There is established an
489 Office of Maritime Development within the Department of Economic
490 and Community Development for administrative purposes only. The

491 Office of Maritime Development shall promote and coordinate, in
492 consultation with the Commissioner of Transportation and the
493 Commissioner of Energy and Environmental Protection, the operations
494 of the Connecticut Port Authority established pursuant to sections 1 to
495 4, inclusive, of this act.

496 (b) The Governor, in consultation with the Commissioner of
497 Economic and Community Development, the Commissioner of
498 Transportation and the Commissioner of Energy and Environmental
499 Protection, shall, within available appropriations, appoint an executive
500 director to manage the daily activities and duties of the Office of
501 Maritime Development. The executive director shall have the
502 necessary qualifications to perform the duties of said office, including,
503 but not limited to, having experience in the development and
504 management of multi-use port operations, international trade,
505 maritime transportation, finance and economic development. Within
506 available appropriations, the executive director shall: (1) Appoint,
507 employ and remove such assistants, employees and personnel as
508 deemed necessary for the efficient and effective administration of the
509 activities of the office; (2) develop a plan to transition the maritime
510 functions of the Department of Transportation to the Connecticut Port
511 Authority; (3) review and make recommendations for state policies
512 that affect Connecticut's ports; (4) coordinate state, regional and local
513 efforts to encourage the growth of Connecticut's ports; (5) develop a
514 plan to eliminate the Office of Maritime Development and transition
515 the functions of the Office of Maritime Development and the
516 Connecticut Maritime Commission to the Connecticut Port Authority
517 after the establishment of the Connecticut Port Authority; (6) identify,
518 in collaboration with the Commissioner of Economic and Community
519 Development, the Commissioner of Transportation and the
520 Commissioner of Energy and Environmental Protection, qualified
521 candidates for the board of directors of the Connecticut Port Authority
522 and the executive director of the Connecticut Port Authority; (7)
523 develop a plan concerning the bonding authority of the Connecticut

524 Port Authority; and (8) prepare and submit, on or before January 1,
525 2016, a report of activities, findings and recommendations concerning
526 the establishment of the Connecticut Port Authority to the Governor
527 and the joint standing committees of the General Assembly having
528 cognizance of matters relating to commerce, transportation and the
529 environment, in accordance with the provisions of section 11-4a of the
530 general statutes.

531 Sec. 14. Section 13b-51a of the general statutes is repealed. (*Effective*
532 *July 1, 2016*)

| | | |
|---|---------------------|------------------|
| This act shall take effect as follows and shall amend the following sections: | | |
| Section 1 | <i>July 1, 2016</i> | New section |
| Sec. 2 | <i>July 1, 2016</i> | New section |
| Sec. 3 | <i>July 1, 2016</i> | New section |
| Sec. 4 | <i>July 1, 2016</i> | New section |
| Sec. 5 | <i>July 1, 2016</i> | 1-79(12) |
| Sec. 6 | <i>July 1, 2016</i> | 1-120(1) |
| Sec. 7 | <i>July 1, 2016</i> | 1-124 |
| Sec. 8 | <i>July 1, 2016</i> | 1-125 |
| Sec. 9 | <i>July 1, 2016</i> | 13b-51b |
| Sec. 10 | <i>July 1, 2016</i> | 13b-55a |
| Sec. 11 | <i>from passage</i> | 12-587(b)(2) |
| Sec. 12 | <i>from passage</i> | 12-458(a)(3) |
| Sec. 13 | <i>July 1, 2014</i> | New section |
| Sec. 14 | <i>July 1, 2016</i> | Repealer section |

Statement of Purpose:

To establish a state-wide port authority.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]